



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

April 20, 2006

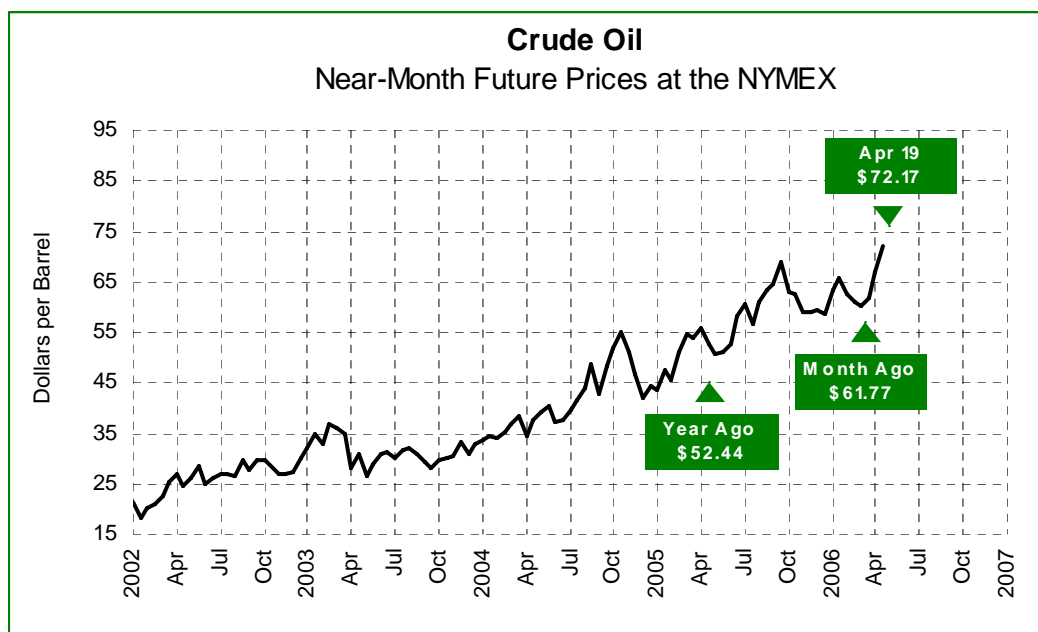
Crude Oil

On April 19, crude oil futures for May delivery on the NYMEX closed higher at \$72.17 per barrel, a new record high, in response to declining U.S. gasoline supplies and crude oil disruptions.

Crude Oil - Near Month Future Prices (dollars per barrel)

	<u>04-19-06</u>	<u>03-22-06</u>	<u>change</u>	<u>04-20-05</u>	<u>change</u>
NYMEX	\$72.17	\$61.77	up 17%	\$52.44	up 38%

- Crude oil futures for May delivery on the NYMEX gained \$0.82 yesterday to settle at \$72.17 per barrel in response to falling U.S. gasoline supplies which have dropped in 7 consecutive weeks. On-going militant attacks are disrupting 550,000 barrels per day (about 25 percent) of Nigeria's oil output, the world's 8th largest oil exporter and concerns over oil production in Iran and Chad are supporting much higher prices.



- Crude oil supplies fell 0.8 million barrels to 345.2 million barrels for the week ending April 14, and are 26.3 million barrels or 8 percent higher than last year at this time. Crude supplies dropped due to higher refinery runs that offset slightly higher imports and limited recovery of U.S. production in the Gulf Region damaged during last year's hurricanes. The U.S. Minerals Management Service (MMS) reports that as of Wednesday, April 19, approximately 334,000 barrels or 22.27 percent of the Gulf's

1.5 million barrels per day of crude production continues to be shut down following Hurricane Rita and Katrina.

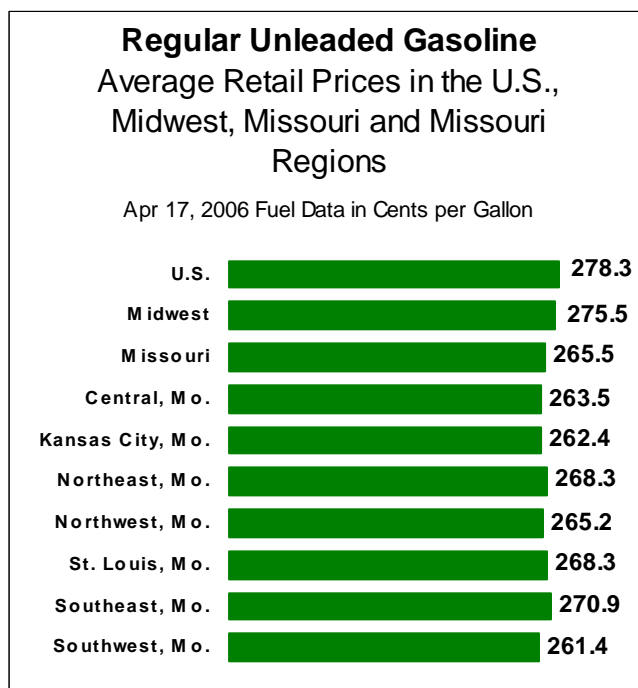
- For the week ending April 14, U.S. crude oil production improved slightly to 5.125 million barrels per day. Current production is below the 5.4 million barrels per day reported at this time last year. Crude oil imports improved slightly to 9.66 million barrels per day compared to 9.71 million barrels at this time last year.
- Refinery runs improved 0.6 percent to 86.2 percent of capacity as U.S. refineries continue to restart operations or perform seasonal maintenance prior to the beginning of the summer driving season. Weekly refinery utilization increased slightly to 14.7 million barrels of crude oil per day compared to nearly 15.4 million barrels at this time last year.

Transportation Fuels

On April 17, Missouri's average retail price for regular unleaded gasoline was \$2.65 while diesel fuel was \$2.66 per gallon, an increase of 11 percent and 7 percent, respectively, compared to this time last month. Following the survey, retail stations reported price increases ranging from 5 to 10 cents per gallon.

<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>04-17-06</u>	<u>03-20-06</u>	<u>change</u>	<u>04-18-05</u>	<u>change</u>
US	278.3	250.4	up 11%	223.7	up 24%
Missouri	265.5	239.1	up 11%	206.9	up 28%

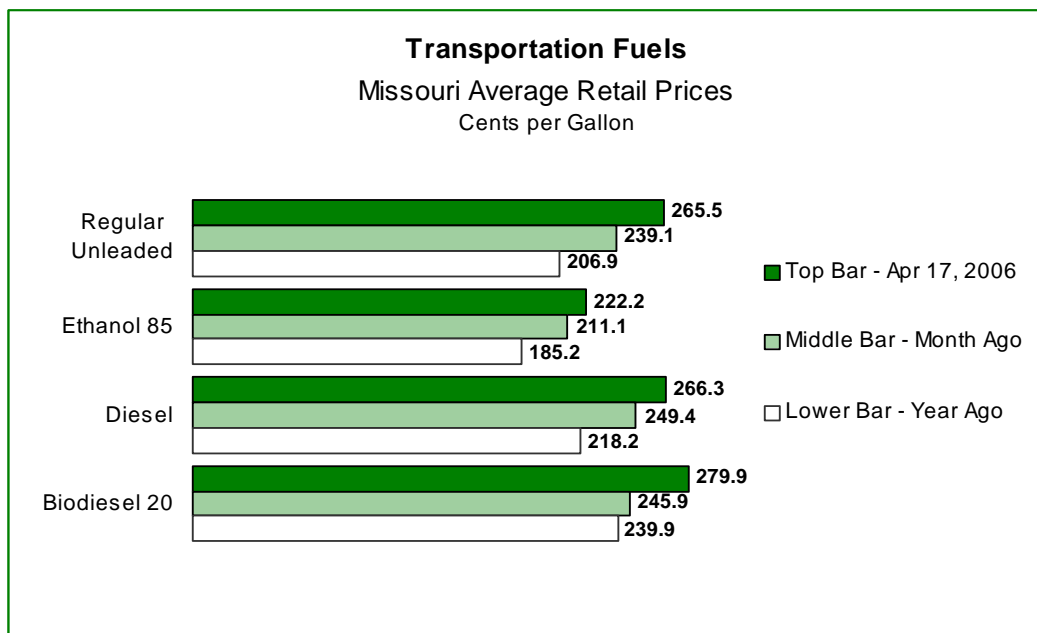
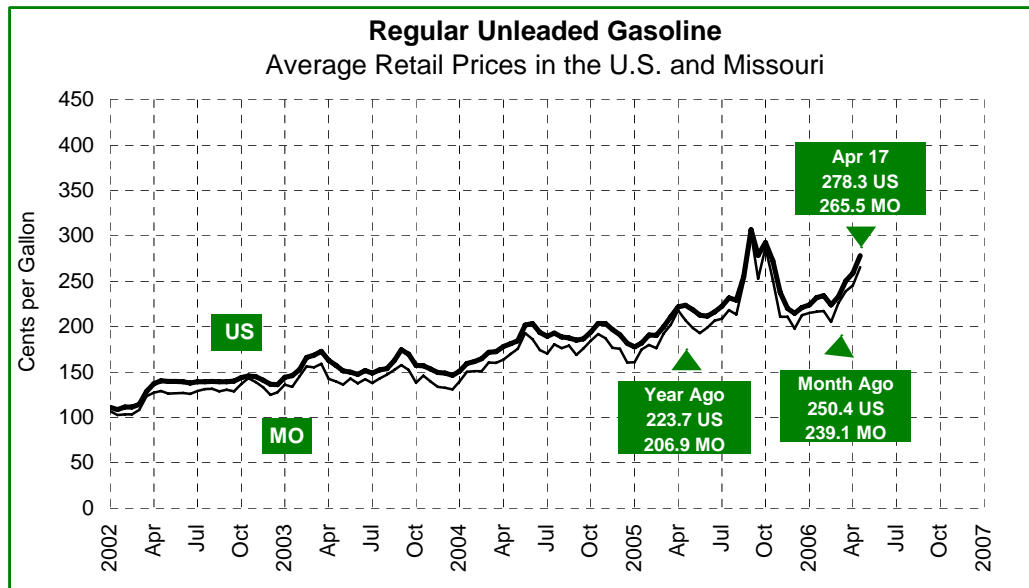
<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>04-17-06</u>	<u>03-20-06</u>	<u>change</u>	<u>04-18-05</u>	<u>change</u>
Missouri	266.3	249.4	up 7%	218.2	up 22%



- On April 17, Missouri's statewide average gasoline retail price was up \$0.26 while diesel retail prices

were up \$0.17 from last month. Transportation fuel prices continue to rise at the NYMEX and spot markets in the Gulf due to refinery issues, concerns regarding crude oil and summer gasoline supplies and the transition from MTBE reformulated gasoline to ethanol reformulated gasoline in parts of the Northeast Region, Texas and Virginia.

- Gasoline supplies are down 9.1 million barrels or 4.5 percent from a year ago. For the week ending April 14, U.S. gasoline stocks decreased 5.4 million barrels to 202.5 million barrels. During the last three weeks, supplies have declined over 15 million barrels after consecutive weekly drops of 5.4 million, 4.4 million and 5.4 million. Implied demand is 9.1 million barrels per day. Gasoline imports fell slightly by 0.2 million barrels per day, but U.S. gasoline output has increased to 8.1 million barrels per day after falling to 7.8 million for the week ending April 7.



- Distillate stocks, which include heating oil and diesel fuel, fell for the 9th consecutive week, by 2.8 million barrels to 114.6 million barrels. The decline was accounted for almost entirely by diesel. U.S. distillate demand slipped to 4 million barrels per day, from 4.3 million barrels per day the week before.

Motor Gasoline - Total Stocks (millions of barrels)

	<u>04-14-06</u>	<u>03-17-06</u>	<u>change</u>	<u>04-15-05</u>	<u>change</u>
US	202.5	221.6	down 9%	211.6	down 4%

- The EIA reported on April 17 that the U.S. average price for gasoline increased \$0.10 over the last week to \$2.78 per gallon. According to EIA, gasoline production should increase as oil refineries undergoing maintenance return to full operations over the next several weeks. That should slow the rise in retail prices and should cause them to decline. U.S. average retail prices climbed \$0.29 over the last 3 weeks and EIA expects they could reach \$3 per gallon for a limited period; but EIA is not forecasting prices that high, on average, over a whole month. Assuming no major problems in U.S. refineries, pipelines or distribution or disruptions in oil supplies, EIA expects retail prices to fall again due to domestic production increases and the expected continuation of significant volumes of gasoline imports.

Coal

The average monthly price of Powder River coal was \$15.13 per ton for March 2006, a decrease of 12 percent from February, but an increase of 128 percent from March 2005.

Coal - Spot Prices (dollars per ton)

	<u>Mar '06</u>	<u>Feb '06</u>	<u>change</u>	<u>Mar '05</u>	<u>change</u>
Powder River	\$15.13	\$17.25	down 12%	\$6.63	up 128%

- Based on weekly averages, Powder River Basin (PRB) spot prices declined for the weeks ended February 24 through March 17. These declines continued the downward trend in PRB spot prices since the week ended January 13. From the peak of \$20.66 per short ton, the average spot price most recently reached \$14.40 for the prompt quarter.

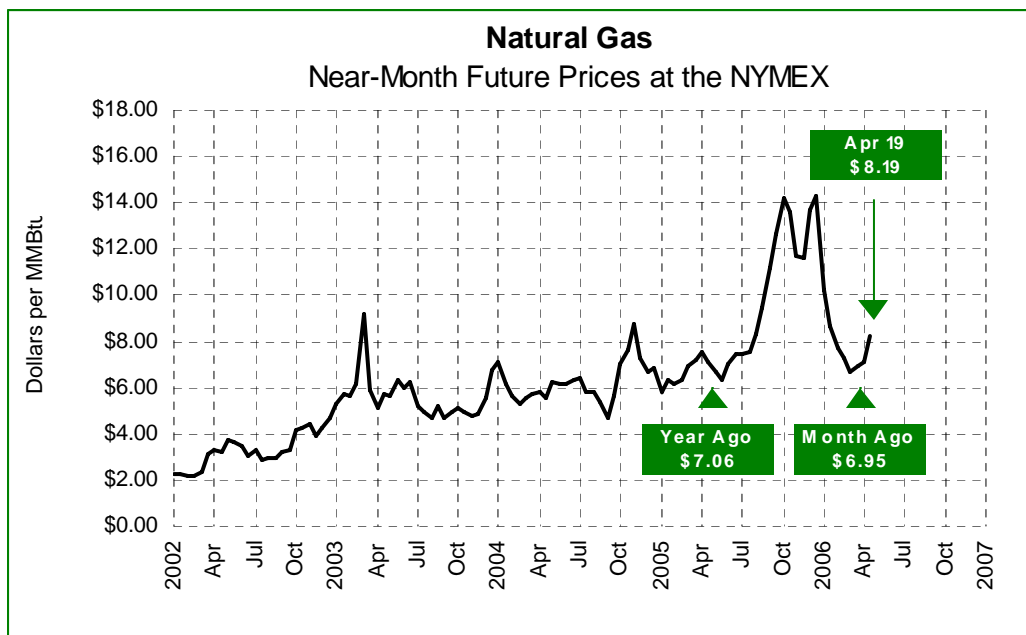
Natural Gas

On April 19, natural gas futures closed at \$8.19 per MMBtu, an increase of 18 percent or \$1.24 since last month and 16 percent or \$1.13 since last April.

Natural Gas - Near Month Future Prices (dollars per mmbtu)

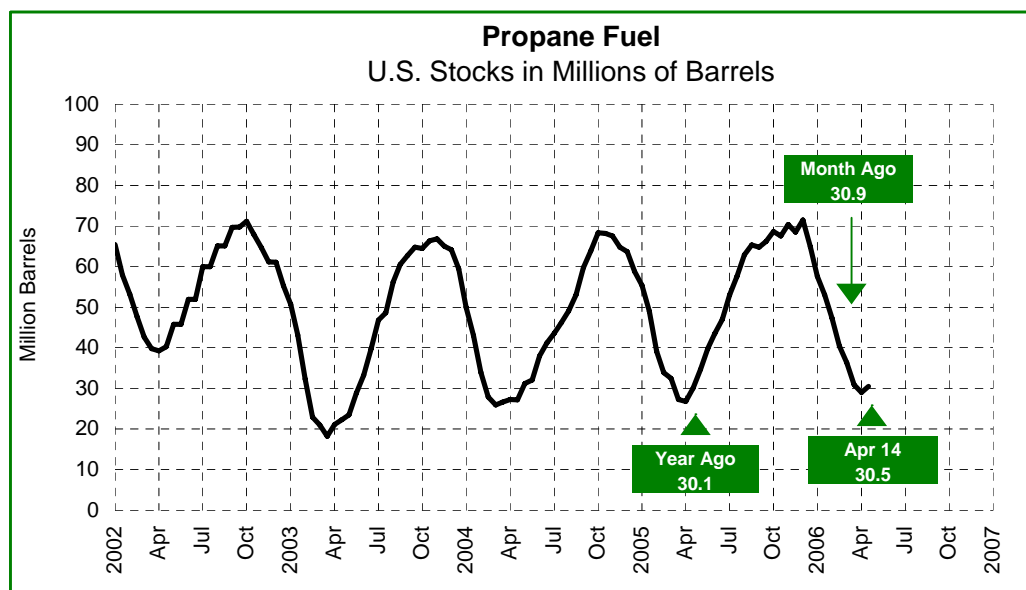
	<u>04-19-06</u>	<u>03-22-06</u>	<u>change</u>	<u>04-20-05</u>	<u>change</u>
NYMEX	\$8.19	\$6.95	up 18%	\$7.06	up 16%

- High crude oil prices and increasing cooling demand in some regions contributed to natural gas spot prices climbing more than 10 percent at trading locations in the Lower 48 States. At the NYMEX, the futures contract for May delivery rose in each trading session this week, gaining \$1.384 per MMBtu to close at \$8.192 per MMBtu on April 19.
- Net storage injections continued for the second week this refill season. Working gas in storage as of Friday, April 14, increased to 1,761 Bcf, which is 62.6 percent above the 5-year (2001-2005) average. As of April 19, the U.S. Minerals Management Service estimated that 1.33 billion cubic feet per day (BCFPD) or approximately 13.34 percent of the Gulf's 10 BCFPD natural gas production remains shut down.



Propane

Missouri's average retail propane price was \$1.60 per gallon on April 3, down 5 cents from March 6.



- U.S. supplies of propane moved down by 0.4 million barrels, settling at 30.5 million barrels as of April 14, 2006. Midwest inventories improved 0.9 million barrels to 12.575 million barrels for the week ending April 14. Inventories stood at 10 million barrels at this time last year.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

For more information, contact: MO Dept. of Natural Resources, Energy Center, P.O. Box 176, Jefferson City, MO 65102-0176; Phone: (573) 751-3443 or (800) 361-4827; Fax: (573) 751-6860; E-mail: energy@dnr.mo.gov; Web Address: www.dnr.mo.gov/energy/transportation/fb.htm